



# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature  
Second Regular Session

House: APPROP DP 8-5-0-0

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## **HB 2868: State Buildings; Management; 2022-2023**

**Sponsor: Representative Cobb (with permission of committee on Rules), LD 5  
Caucus & COW**

### **Overview**

Contains provisions relating to the management of state buildings needed to implement the FY 2023 budget.

### **History**

The Arizona Legislature adopts a budget for each fiscal year that contains general appropriations. [Article IV, Section 20, Part 2](#), Constitution of Arizona, requires the General Appropriations Act (feed bill) to contain only appropriations for the different state departments, state institutions, public schools and interest on public debt. Statutory changes necessary to reconcile the appropriations made in the feed bill and other changes are drafted into separate budget bills. These bills are prepared according to subject area.

### **Provisions**

1. Allows the Director of the Arizona Department of Administration (ADOA) to approve whole or partial rent exemptions, for state-owned and state-leased buildings, without recommendation from the Joint Committee on Capital Review. (Sec. 1)
2. Requires ADOA to report proposed rental fee exemptions for state-owned and state-leased buildings to the Joint Legislative Budget Committee (JLBC) staff prior to authorization. (Sec. 1)
3. Requires state agencies occupying lease-purchase state buildings under authority of ADOA to pay Capital Outlay Stabilization Fund (COSF) rental fees upon completing lease payments. (Sec. 1)
4. Requires ADOA to report costs associated with charging COSF rental rates to state agencies whose leases, or lease purchases, will expire in the next fiscal year on or before September 1 of each year to JLBC and the Governor's Office of Strategic Planning and Budgeting (OSPB). (Sec. 1)
5. Requires each state agency to submit a quarterly report on the status of all appropriated capital projects and capital expenditures to the JLBC staff and OSPB. (Sec. 2)
6. Exempts the Department of Transportation from submitting a status report on appropriated capital projects and capital expenditures if related to highway construction projects. (Sec. 2)
7. Repeals statute that prohibited the office of the Ombudsman-Citizens Aide from being located within the state office building complex or adjacent or to any other state agency. (Sec. 3)
8. As session law, maintains the Capital Outlay Stabilization Fund's rental rates charged by ADOA to state agencies and departments at \$17.87 per square foot for rentable office space and \$6.43 per square foot for rentable storage space. (Sec. 4)

9. As session law, directs all proceeds from the sale of state buildings located at 519 Beale Street in Kingman and 1919 West Jefferson Street in Phoenix be deposited in the Capitol Mall Consolidation Fund. (Sec. 5)
10. Makes technical changes. (Sec. 1)